

Opening Statement By Chairman Vernon J. Ehlers

This bill would exempt communications made over the Internet from the definition of a "public communication" in the Bi-Partisan Campaign Reform Act (BCRA). It would allow bloggers and other online activists to express their views on the Internet without fear of running afoul of our campaign finance laws.

I would like to start with a little background on the subject of the regulation of online politics and this bill, so that those listening know where we are in the process and what is at stake.

After BCRA passed in 2002, the Federal Election Commission (FEC) was required to develop regulations to implement the Act. The Commission determined that Congress did not intend for BCRA to cover Internet communications and, therefore, adopted regulations that exempted them.

Two of our colleagues, (BCRA authors Shays and Meehan) felt the FEC regulations did not follow the intent of BCRA, so they sued the Commission over this and several other rules. They won that suit, so the FEC was required by Court order to rewrite the rules.

A new rulemaking to cover the Internet began in March 2005, and the FEC is scheduled to vote on these new rules next Thursday, March 16. Unless Congress acts quickly to prevent it, the FEC will be required to issue a new regulation to cover Internet communications.

On September 22, 2005, this Committee held a hearing on the regulation of political speech on the Internet. At the hearing, Committee Members heard testimony from bloggers, FEC Commissioners, and election law experts. Both liberal and conservative bloggers have expressed their support for exempting the Internet from FEC regulation.

On November 2, 2005, H.R. 1606 was placed on the suspension calendar and voted upon. Although the majority of Members voted for H.R. 1606 (vote was 225-182) it failed to garner the 2/3 votes necessary to pass under suspension.

We now revisit the subject to give the Congress one more opportunity to express its will on this issue. By reporting this legislation, and scheduling it for floor consideration, we are giving Members one more chance to prevent

the FEC from regulating the Internet.

Those who favor regulation, the so-called "reform community", believe that Internet speech must be regulated in the same manner as all other speech, lest we create a "loophole" that will allow people to evade BCRA. They are not deterred by the fact that none of the grim scenarios they predict will ensue have been seen in the past four years; four years in which the rule H.R. 1606 would make permanent have been in effect.

While there has been no evidence of corruption resulting from the Internet exemption there has been ample evidence of the positive effects of a deregulated Internet. There was 42% growth from 2000 to 2004 in the number of people using the internet to research candidates' issues positions. About 44% of online political activists have not been politically involved in the past in typical ways-they have not previously worked for a campaign, made a campaign donation or attended a campaign event. Technorati, a popular blog search engine, is now tracking 19.8 million blogs and reports that every five months the number of blogs on the Internet doubles.

We don't want bloggers to have to check with a federal agency before they go online. They shouldn't have to read FEC advisory opinions, or hire federal election lawyers to make sure what they are doing is legal. They should be able to express their views on politics and politicians without having to worry about running afoul of our federal election laws.

The Internet has had a positive influence on our politics and engaged thousands of people as never before. It has allowed individuals of limited means to become involved in the political process because, unlike other forms of media such as television and radio, there are few barriers to entry. The Internet allows for communication with millions of people for little or no cost. Imposing regulations would stifle this activity.

Passing H.R. 1606 will ensure the Internet can continue to grow and continue to be a free and positive force in our political system.